
Meeting: Executive
Date: 8 January 2013
Subject: Leisure Facilities Capital Programme
Report of: Cllr Brian Spurr Executive Member for Sustainable Communities – Services
Summary: Include the schemes set out in Table 6 Appendix A in the draft capital programme 2013-2017 and Flitwick Leisure Centre Phase 2 as a reserve scheme to be considered by Executive on 5 February 2013.

Advising Officer: Gary Alderson, Director of Sustainable Communities
Contact Officer: Jill Dickinson, Head of Leisure Services
Public/Exempt: Public
Wards Affected: All
Function of: Executive
Key Decision Yes
**Reason for urgency/
exemption from call-in
(if appropriate)** N/A

CORPORATE IMPLICATIONS

Council Priorities:

1. The Leisure Facilities Capital programme supports the following Council priorities;
 - Enhancing Central Bedfordshire – creating jobs, managing growth, protecting our countryside and enabling businesses to grow.
 - Promote health and wellbeing and protecting the vulnerable.
 - Great universal services – bins, leisure and libraries.
 - Value for money – freezing council tax.

It will also support the target to ensure the number of adults in Central Bedfordshire taking part in sport and physical activity remains above the national average.

Financial:

2. CBC capital investment is guided by the Leisure Facilities Strategy. The capital programme, approved at Council on 23 February 2012 includes funds for a number of leisure schemes. Funds for implementation of the Leisure Strategy on an invest to save basis together with Saxon Pool and Leisure Centre sports hall extension totalled £8m over 4 years from 2012/13 to 2015/16.

3. In order to support the emerging themes of the Leisure Facilities Strategy a range of potential schemes have been considered which limit the cost to the Council of borrowing capital funds, either by providing income for the Council and/or can be supported by third party contributions. Two schemes at Tiddenfoot and Saxon Pool Leisure Centres were approved by Executive on 2 October 2012 totalling £2.5m net expenditure from Invest to Save funds and from Saxon Pool and Leisure Centre.
4. Initial affordability modelling has started to identify costs and CBC capital investment to deliver CBC priorities in the Leisure Facilities Strategy from 2013/14 onwards on a phased basis.
5. This includes Facilities requirements not currently provided for at the Council's leisure centres, for example additional sports halls and other sports facilities which may be developed by other stakeholders such as schools. It is proposed to develop criteria where the CBC capital programme could be used to support the development of these facilities. Underlying principles for that criteria will comprise;
 - Evidence of need for that Facilities in the Leisure Facilities Strategy
 - Evidence of external partnership funding
 - Invest to save opportunities for CBC
 - Scheme provides public access and increases capacity.
6. Use of the leisure capital budget that has not been allocated as set out in the Executive report of 2 October 2012, and additional capital funds will be required. The financial implications are set out in Appendix A.

Legal:

7. The Council's constitution requires that the capital programme can only be approved by full Council and schemes with a whole life value of more than £500,000 require full council approval before they can be included in the capital programme. Public authorities have a statutory duty to promote equality. This is dealt with in detail in the Equalities section of Corporate Implications.

Risk Management:

8. The following risks have been identified, which are considered in more detail below:
 - Failure to deliver the Council's priorities
 - Reputational risks
 - Risk to customer satisfaction.
9. The Leisure Facilities Capital programme is directed by the Leisure Facilities Strategy which has been developed using Sport England methodology to assess the quality, quantity and accessibility of a range of specific sports facilities. The Strategy shows the Council has aging leisure centres operating at capacity and in some cases operating above the threshold for comfortable use at peak times. The Leisure Facilities Capital programme will be used to provide improved facilities with additional capacity to reduce pressure on these facilities and prevent a decline in customer satisfaction levels.

Staffing (including Trades Unions):

10. Implementation of the Leisure Facilities Capital programme will require appropriate staffing resources to ensure the Council has the capability and capacity to deliver capital investment proposals.

Equalities/Human Rights:

11. Public authorities have a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
12. The improvements to the leisure facilities aim to enhance customer experience and promote equality of opportunity, and make sport and physical activity a regular part of life for all.

Public Health:

13. Leisure facilities are a key community health resource. The Leisure Facilities capital programme aims to ensure there is a sustainable and high quality sport and physical activity infrastructure for local communities to engage in regular physical activity to help prevent ill health, generate long term improvements in overall levels of health and wellbeing and thereby reducing the costs to society for the NHS and social care.

Community Safety:

14. Under section 17 of the Crime and Disorder Act the Council has a statutory duty to do all that is reasonable to prevent crime and disorder with its areas. Leisure facilities and the activities that they offer provide positive opportunities, particularly to young people, who may otherwise engage in activities that may be considered anti-social.

Sustainability:

15. The Leisure Facilities capital programme will seek to extend and improve facilities so that our customers participate in sport and physical activity through a network of good quality accessible and readily available public sport and recreation facilities, reducing the need for customers to travel to other local authority areas to participate in these activities.
16. Leisure Centres are significant contributors to the Council's carbon footprint (12%) and improving energy consumption/efficiency (which also has benefits in terms of running costs) will be an important consideration as part any capital investment.

Procurement:

17. Executive approval for capital investment in leisure facilities will be followed by a procurement process to identify appropriate professional project management and delivery support.

RECOMMENDATION:

Executive is recommended to:

- 1 include the schemes set out in Table 6 Appendix A in the draft capital programme 2013-2017 and Flitwick Leisure Centre Phase 2 as a reserve scheme to be considered by Executive on 5 February 2013.**

BACKGROUND

18. Development of the Leisure Strategy forms part of “Delivering your Priorities- Our Plan for Central Bedfordshire 2012-2016” to make sure that we are able to keep Central Bedfordshire as a great place to live and work.
19. The strategic purpose of the Leisure Strategy is to provide a framework for the prioritisation, provision and development of sport and recreation facilities and opportunities in Central Bedfordshire. By highlighting needs and opportunities for improvement, it sets the context for decisions about the priority and delivery of local provision up to 2031 and informs Central Bedfordshire Council’s capital expenditure on new/improved facilities. The Leisure Facilities Strategy is being considered for approval at the same Executive meeting on 8 January 2013.

CAPITAL INVESTMENT OPTIONS

20. Delivery of the Leisure Facilities Strategy across Central Bedfordshire will, to a large extent, be dependent on capital funding. The capital funding picture for municipal leisure facilities is in a state of flux. Local authority finances are under pressure and previous major national funding programmes such as Building Schools for the Future (BSF) and Regional Development Agency funding are no longer available. Some funding opportunities, however, still remain; for example, individual school capital grants have replaced BSF and Sport England now has more clearly defined capital available through its Places to Play Legacy funding programme. While the education capital funding programmes will continue to change over time, there will still be a need for investment to take place on school sites during the strategy period and opportunities for joint projects may arise. The new National Planning Policy Framework (NPPF) will provide opportunities for investment through the Community Infrastructure Levy (CIL).
21. Given the potential level of funding required to refurbish or redevelop the leisure facilities infrastructure across Central Bedfordshire it is likely that investment will only be achieved through a combination of opportunities. Using assets innovatively will be a key feature of the next few years, as will working in partnership on a multi-agency approach. The main funding delivery mechanisms for Central Bedfordshire Council and others are set out In the Leisure Facilities Strategy and include the following:

- 22.
- i. **Community Infrastructure Levy (CIL) and Section 106 developer contributions:** The Leisure Facilities Strategy aims to secure developer contributions in association with new development to provide or improve infrastructure.
 - ii. **Capital Grant funding:** From schools and national agencies such as Sport England, including its Iconic Facilities, Improvement Fund and Inspired Facilities programmes. National Governing Body (NGB) support could also be available to develop specific specialist facilities.
 - iii. **Third party funding:** Financing capital through the forecast operational surplus and finance packages as part of the leisure management procurement process or construction contracts. Also, leisure management operators are asked as part of their consideration, to fund developments of health and fitness suites and small refurbishments of existing leisure centre sites.
 - iv. **Commercial sector funding:** limited potential for investment from commercial leisure operators such as those who provide health and fitness centre and 5 a-side artificial pitch football centres.
 - v. **Council funding:** including use of capital receipts from the sale of existing assets.
 - vi. **Prudential Borrowing:** or 'spend to save': the local authority may choose to use revenue savings or income from its investment to pay for monies used for capital development, which may be cheaper than an operator can borrow.

CAPITAL INVESTMENT PRIORITIES

23. The Leisure Facilities Strategy sets out details requirements for specific facilities by geographical catchments known as place making areas as evidenced by the robust audit and assessment of the quality, supply, and accessibility of indoor sports facilities.

24. Key strategic priorities are identified and are summarised below.
- West area: New Leisure Centre at Flitwick comprising 8 lane 25m pool and 4 court sports halls and a range of other sports facilities.
 - Leighton Linsalde/Rural South: Refurbishment of Tiddenfoot Leisure Centre. New sports hall in the growth area.
 - Dunstable/Houghton Regis: Refurbishment of Dunstable Leisure Centre. Consider reopening Houghton Regis swimming pool at existing centre for short term provision. Longer term, in the context of Houghton Regis North development, New Houghton Regis Leisure Centre comprising 6 lane 25m pool and 6 court sports hall and a range of other sports facilities.
 - East: Refurbishment of Saxon Pool and Leisure Centre. New sports hall at Saxon Pool and Leisure Centre and, and a new sports hall at Eatonbury School, Arlesey.
25. Specific investment is proposed from 2013/14 to deliver a number of schemes which include short and medium term key strategic priorities of the Leisure Facilities Strategy. The financial implications for 2013/14 to 2015/16 to implement these strategic priorities are set out in the Appendix A.
26. The allocations and profile of capital expenditure set out in Appendix A include the following schemes in paragraphs 27 – 32. The capital programme being presented for approval to Executive on 5 February 2013 will reflect the funding required for these schemes with Phase 2 of Flitwick Leisure Centre as a reserve scheme pending further project development work to determine costs. Longer term, a new Houghton Regis Leisure Centre is required. Funding for this scheme will be considered in the context of the development of Houghton Regis North.
27. • Leisure Strategy Development of Chapters 2 Recreation and Open Space, Chapter 3 Playing Pitches and Chapter 4 Physical Activity. £30k for strategy development for audit and assessment through to final strategy stage.
28. • Sandy Athletics Track and Leisure Centre. £150k is estimated for essential improvement works. The Facilities is an asset owned by CBC. The track needs resurfacing due to its age, having been built in 2005.
29. • Houghton Regis Leisure Centre reopening the swimming pool. Provision of £150k one off investment is estimated in 2013/14 to bring the swimming pool back into use. This will be required if the procurement process for a new leisure management contract which will include an option to include Houghton Regis Leisure Centre and an option for re opening the pool concludes for the pool to be re opened.

30.
 - Refurbish Dunstable Leisure Centre. The centre is aging and requires significant investment to bring the Facilities up to date in line with customer expectations and maximise its potential in achieving significant returns on investment for the Council. An outline business case has identified £2.3m for implementation in 2015/16. Further work is required before a refurbishment scheme is finalised but is likely to include improvements to wet side changing, plant, the café, reception and entrance, activity rooms and expansion of the fitness room.
31.
 - Development with stakeholders. This is for CBC to work in partnership with other stakeholders to build new additional facilities or refurbishment and/or extension to existing facilities and which provide additional access to the community, and invest to save opportunities for CBC. An example would be the provision of sports facilities by a school. £500k is identified for these types of schemes each year from 2013/14.
32.
 - New Flitwick Leisure Centre. This is a phased scheme which aims to deliver a significant improvement to the quality and supply of leisure facilities for the area when compared to the existing centre. The new centre will provide additional water space and expansion of the fitness equipment along with associated space for a range of sport and physical activities, and a café. It will also provide significant improvements to energy efficiency and avoid £2m life cycle costs associated with the existing centre. A business case requires further development but the exact specification will aim to maximise a return on the Council's capital investment. The first phase is re provision of football pitches. The scheme is required because the proposed site for a new Flitwick Leisure Centre is on existing playing pitches which must be reprovided before the leisure centre can be built. £1.2m is required so that the scheme can commence in 2013/14. The profile of expenditure is shown in Appendix A. The Football Association indicate that an application to the Football Foundation to provide additional community space to maximise secondary spend with the aim of the football Facilities covering its running costs would be considered favourably, particularly where a strong local football club is identified to manage the Facilities.
33. The Leisure Facilities Strategy sets the context for decisions about the priority and delivery of local provision up to 2031. Future investment decisions will further support delivery of strategy.

CONCLUSION

- 34 The Leisure Facilities Strategy to be considered for approval by Executive on 8 January 2013 provides the Council with a robust evidence based framework for the direction of its capital investment. Investment in leisure facilities and services, when directed in this strategic way, helps to deliver a number of the Council's priorities. Well designed, modern, accessible and attractive leisure facilities are environments where participation in sport and physical activity for all parts of the community can also provide significant opportunities for income generation for this Council.

Appendices:

Appendix A – Capital Financial Position

Background papers and their location: (open to public inspection)

Leisure Facilities Strategy www.centralbedfordshire.gov.uk

Appendix A - Net Capital Financial Position

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | Total £ |
|---------------------------------------|--------------|--------------|--------------|--------------|----------|--------------|
| | 000's | 000's | 000's | 000's | 000's | 000's |
| Invest to Save | 2,000 | 611 | 2,000 | 2,000 | - | 6,611 |
| Saxon Pool & Leisure Centre Extension | - | 1,389 | - | - | - | 1,389 |
| Total | 2,000 | 2,000 | 2,000 | 2,000 | - | 8,000 |

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | Total £ |
|---------------------------------------|--------------|--------------|--------------|--------------|----------|--------------|
| | 000's | 000's | 000's | 000's | 000's | 000's |
| Invest to Save | 500 | 2,111 | 2,000 | 2,000 | - | 6,611 |
| Saxon Pool & Leisure Centre Extension | 500 | 939 | - | - | - | 1,439 |
| Total | 1,000 | 3,050 | 2,000 | 2,000 | - | 8,050 |

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | Total £ |
|--|--------------|--------------|----------|----------|----------|--------------|
| | 000's | 000's | 000's | 000's | 000's | 000's |
| Invest to Save - Tiddenfoot & Saxon | 529 | 933 | - | - | - | 1,462 |
| Other Expenditure - Tiddenfoot & Saxon | 511 | 513 | - | - | - | 1,024 |
| Total | 1,040 | 1,446 | - | - | - | 2,486 |

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | Total £ |
|---------------------------------------|----------|--------------|--------------|--------------|----------|--------------|
| | 000's | 000's | 000's | 000's | 000's | 000's |
| Invest to Save | - | 1,149 | 2,000 | 2,000 | - | 5,149 |
| Saxon Pool & Leisure Centre Extension | - | 415 | - | - | - | 415 |
| Total | - | 1,564 | 2,000 | 2,000 | - | 5,564 |

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | Total £ |
|---|----------|--------------|--------------|--------------|--------------|---------------|
| | 000's | 000's | 000's | 000's | 000's | 000's |
| 1 Leisure Strategy Development of Chapters 2, 3 and 4 | - | 30 | - | - | - | 30 |
| 2 Sandy Athletics Track and Leisure Centre | - | 150 | - | - | - | 150 |
| 3 Houghton Regis Leisure Centre reopening Swimming Pool | - | 150 | - | - | - | 150 |
| 4 Refurbish Dunstable Leisure Centre | - | - | - | 2,300 | - | 2,300 |
| 5 Development with stakeholders | - | 500 | 500 | 500 | 500 | 2,000 |
| 6 Flitwick Football | - | 500 | 700 | - | - | 1,200 |
| 7 New Flitwick Leisure Centre | - | 250 | 7,750 | 2,000 | 2,500 | 7,500 |
| Total | - | 1,580 | 8,950 | 4,800 | 2,000 | 13,330 |

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | Total £ |
|---|----------|--------------|--------------|--------------|------------|--------------|
| | 000's | 000's | 000's | 000's | 000's | 000's |
| Approved Budget - Table 1 | 2,000 | 2,000 | 2,000 | 2,000 | - | 8,000 |
| Revised Budget - Table 2 | 1,000 | 3,050 | 2,000 | 2,000 | - | 8,050 |
| Approved expenditure - Table 3 | 1,040 | 1,446 | - | - | - | 2,486 |
| Remaining Approved Budget - Table 4 | - | 1,564 | 2,000 | 2,000 | - | 5,564 |
| Reprofiling of budget : | | | | | | |
| 1 Leisure Strategy Development of Chapters 2, 3 and 4 | - | 30 | - | - | - | 30 |
| 2 Sandy Athletics Track and Leisure Centre | - | 150 | - | - | - | 150 |
| 3 Houghton Regis Leisure Centre reopening Swimming Pool | - | 150 | - | - | - | 150 |
| 4 Refurbish Dunstable Leisure Centre | - | - | - | 2,300 | - | 2,300 |
| 5 Development with stakeholders | - | 500 | 500 | 500 | 500 | 2,000 |
| 6 Flitwick Leisure Centre - Phase 1 - Football pitches | - | 500 | 700 | - | - | 1,200 |
| total | - | 1,330 | 1,200 | 2,800 | 500 | 5,830 |
| Variance | | -234 | -800 | 800 | 500 | 266 |

Notes

Flitwick Football Estimates includes partnership funding of £200k from Football Foundation in 13/14 . Application yet to be made.

Flitwick Leisure Centre. £2.5m income estimated land value Sept 2010 figure